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CHINA EAST EDUCATION HOLDINGS LIMITED

中國東方教育控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 667)

VOLUNTARY ANNOUNCEMENT – BUSINESS UPDATE

The board of directors (the “**Board**”) of China East Education Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that Anhui Xinhua Education Group Co., Ltd.* (安徽新華教育集團有限公司) (“**Xinhua Education Group**”), a subsidiary of the Company, has become the first batch of third-party rating organisations for the recognition of vocational skills in China, whereby Xinhua Education Group is allowed to perform the recognition of three vocational skills including Western chef, Chinese chef and Chinese baker for the public. As at the date of this announcement, the first batch of vocational skill certificates was issued to the public.

Vocational skill recognition represents the recognition of the skill level of labors by the rating organisation filed by the Ministry of Human Resources and Social Security of the People’s Republic of China (“**Ministry of Human Resources and Social Security**”), which is a way for rating of the skills of talents implemented together with the occupational qualification rating. On 10 December 2019, the Ministry of Human Resources and Social Security and China Employment Training Technical Instruction Center (中國就業培訓技術指導中心) jointly issued the “Notice in Relation to the Issuance of the List of the First Batch of Third-Party Rating Organisations for the Recognition of Vocational Skills (《關於發佈首批職業技能等級認定第三方評價機構名單的通告》)”, a total of 11 organisations including Xinhua Education Group have become the first batch of third-party rating organisations for the recognition of vocational skills in China. The third-party organisations for the recognition of vocational skills in China are the unit organisations recognised by the Ministry of Human Resources and Social Security, which are unit organisations having leading positions in the industry with credibility. After procedures such as self-reporting, selection by experts, credit checks, the assessment by the local human resources and social security departments at the place where Xinhua Education Group was registered and seeking of views from the society, Xinhua Education Group has become the first batch of third-party rating organisations for the recognition of vocational skills in China, whereby it is allowed to perform the recognition of three vocational skills including Western chef, Chinese chef and Chinese baker. This implies that Xinhua Education Group may perform vocational skill recognition for the public in accordance with the standards and regulatory requirements, and issue certificates recognised by the state. For Western chefs, Chinese chefs and Chinese bakers who obtained respective vocational skill certificate recognised by the state after recognition in accordance with regulatory requirements, their information will be kept in the state network inquiry system of Appraisal Centre of Occupational Capability of the Ministry of Human Resources and Social Security (人社部職業技能鑒定中心), and included in the scope of skilled talents in China, and they are legally entitled to the recognition of relevant vocational skill and corresponding compensations.

As at the date of this announcement, a total of 25 people passed the first batch of vocational skill recognition by third-party rating organisation in which all these vocational skill certificates were issued by Xinhua Education Group covering three occupations including Western chef, Chinese chef and Chinese baker. Xinhua Education Group is also the first third-party rating organisation officially issuing vocational skill certificates in China.

The Board is of the view that becoming the first batch of third-party rating organisations for the recognition of vocational skills in China and officially issuing vocational skill certificates, implies that the Group starts to provide relevant vocational skill recognition and certificate issuance for the public in China, which will significantly raise the Group's reputation and enhance its brand influence, and further strengthen the Group's leading position in the vocational skill training business in China; by providing corresponding examinations and training for the public targeting vocational skill certificates for Western chef, Chinese chef and Chinese baker, the Group can enrich its curriculum in the culinary segment to attract customers who want to obtain such certificates and increase the potential customers of the Group's overall culinary segment; by issuing vocational skill certificates, the Group can further integrate employment resources to provide better job opportunities to the students; the Group can have a comprehensive understanding of the state's policy and industry standards, which will facilitate our vocational skill education in accordance with the state's policy and standards, and effectively enhance our education quality to provide high quality vocational education services.

By order of the Board
China East Education Holdings Limited
WU Wei
Chairman

Hong Kong, 9 April 2020

As at the date of this announcement, the Board comprises Mr. Wu Wei and Mr. Xiao Guoqing as executive directors; Mr. Wu Junbao and Mr. Lu Zhen as non-executive directors; and Mr. Hung Ka Hai, Clement, Mr. Cheung Tsun Yung, Thomas and Dr. Zhu Guobin as independent non-executive directors.

* *For identification purposes only*